



## Helping Rural Families in Swaziland Manage and Survive HIV/AIDS

Swaziland has one of the highest estimated rates of HIV infection in the world, and increased rates of early death and illness among young parents have severely affected the productivity of rural farming communities. This situation undermines basic food security, intensifies poverty and tears at the social fabric of rural Swazi society.

To help Swazi communities manage and overcome the impact of the pandemic, ADF has formed a strategic partnership with Swaziland's National Emergency Response Council on HIV/AIDS (NERCHA). The partnership will fund commercially sustainable and replicable projects that enable rural populations to enhance their food security and generate new sources of family income.

The first grant under this program has been awarded to the Swaziland Farmer Development Foundation (SFDF), a registered non-governmental organization (NGO) that has worked with community groups in Swaziland for more than 20 years on implementing agricultural projects that serve the needs of low-income beneficiaries. The US \$248,000 (SZL 1.6 million) SFDF project will help farmer groups located in the town of Dumako and other areas of the Mkhondvo River Valley develop vegetable production.

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The three goals of the project are to reduce poverty, improve nutrition, and mitigate the impact of HIV/AIDS in the target area.

It is expected that the ADF/NERCHA investment in the SFDF project will significantly increase the income of 280 farming households by tripling the production and sale of commercial-grade vegetables over a five year period. In the first year of the project, SFDF will work with another Swaziland NGO, the Africa Co-Operative Action Trust (ACAT), to build a fully equipped vegetable marketing organization through a private joint partnership with participating farmers.

SFDF will also use ADF monies to:

- establish a revolving loan fund for the farmers that will finance critical agricultural inputs,
- acquire working capital to purchase vegetables from participating farmers and market the produce to bulk buyers,
- provide the staff of the new marketing organization with training in business administration and financial management, and

- purchase equipment to support rapid and efficient vegetable processing, packaging and marketing, including two delivery vans, a cold room for storage, and vegetable wrapping equipment.

The introduction of the processing and packaging equipment will allow participating farmers to earn significantly more income from food sales by allowing them to sell valued-added produce directly to supermarkets in Mbabane and in neighboring South Africa.

The project is structured to transfer direct ownership and day-to-day control of the marketing organization to participating farmers. Initially, SFDF will direct and manage the operations of the center. At the end of the first year, individual farmers will purchase 49 percent of the center's shares at a nominal price, and they will purchase an additional 49 percent of shares by the end of the second year. SFDF and ACAT will together retain a two percent interest in the new enterprise.

ADF's grant to SFDF offers farming families multiple ways to address and manage the social and economic impact of HIV/AIDS. Participating farmers will be cultivating individual plots located within a single area. This spatial organization will allow families that have suffered the loss of one or more members to share and exchange labor with other families for critical tasks like planting, weeding and harvesting.

The increased income that farming families earn from vegetable production will also provide them with more capacity to meet competing resource demands, including food costs, support for additional dependents, and investments in clothing, school fees and individually owned micro-enterprises.

